

Message Text

UNCLASSIFIED

PAGE 01 WARSAW 04210 210958Z

13

ACTION COME-00

INFO OCT-01 EUR-06 ADP-00 EB-05 RSR-01 RSC-01 /014 W

----- 008385

R 210919Z AUG 73

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 5356

INFO AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY VIENNA

UNCLAS WARSAW 4210

E.O. 11652: N/A

TAGS: BEXP, PL HU RO

SUBJECT: PROPOSED METAL FINISHING TRADE MISSION

REF: STATE 150255

FOR COMMERCE BEWT

VIENNA FOR EWTC

1. EMBASSY WELCOMES PROPOSED MISSION AND BELIEVES FEBRUARY IS SUITABLE PERIOD. WE NOTE, HOWEVER, THAT PURCHASING PLANS FOR 1974 WILL LARGELY HAVE BEEN COMPLETED BY THAT DATE. MISSION WILL THEREFORE CONCENTRATE ON SALES TO BE CONSUMMATED IN 1975 AND 1976. FOUR OF FIVE WORKING DAYS SHOULD BE ALLOTTED TO POLAND. DEPENDING ON COMPOSITION OF MISSION, SOME OR ALL MEMBERS MAY FIND IT ADVISABLE TO TRAVEL ALSO TO KATOWICE IN SILESIA.

2. IN METAL FINISHING AREA, POLAND IS NOW DIRECTING ATTENTION TOWARD PURCHASE OF COMPLETE PLANTS RATHER THAN "RANDOM" PURCHASE OF SINGLE TOOLS. THIS TREND RESULTS FROM SHORTAGE OF TOOLS IN POLAND AND CONCOMITANT DISIRE TO EXPAND PRODUCTION OF TOOLS BOTH FOR DOMESTIC USE AND FOR EXPORT, AND FROM DESIRE TO US EXIMBANK FINANCING, AVAILABLE ONLY FOR DEALS

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 WARSAW 04210 210958Z

VALUED AT OVER \$1 MILLION. POLISH TRADERS ARE NOW

ESPECIALLY INTERESTED IN FINDING NEW SOURCES OF SUPPLY FOR METAL FINISHING EQUIPMENT BECAUSE OF DETERIORATING BALANCE OF PAYMENTS POSITION WITH WEST GERMANY, THE TRADITIONAL MAJOR WESTERN SUPPLIER.

3. PLANS FOR INVESTMENT IN COMPLETE PLANTS INCLUDE CONTINUING INVESTMENTS IN STEEL INDUSTRY; PLANTS FOR FORGINGS AND CASTINGS; PLANTS FOR MANUFACTURE OF CUTTING TOOLS, HAND TOOLS, AND BALL BEARINGS. US FIRM NORTON OF MASSACHUSETTS IS REPORTEDLY IN FINAL STAGES OF NEGOTIATIONS ON CONTRACT FOR COMPLETE PLANT FOR MANUFACTURE OF ABRASIVE TOOLS, AND PRELIMINARY DISCUSSION HAVE TAKEN PLACE BETWEEN POLISH FTO METAEXPORT AND LITTON INDUSTRIES REGARDING COMPLETE PLANT FOR MANUFACTURE OF HAND TOOLS. SWINDELL-DRESSLER (FOUNDRY) AND TEXTRON (SENDZIMIR ROLLING MILL) HAVE ALREADY CONCLUDED MAJOR CONTRACTS IN THIS AREA.

4. FOLLOWING INDUSTRIES WILL ALSO BE MAKING LARGE INVESTMENTS IN MACHINE TOOLS AND METAL FINISHING EQUIPMENT OVER NEXT FEW YEARS;

A) AUTOMOTIVE INDUSTRY, IN CONNECTION WITH NEW AUTO PLANT FOR PRODUCTION OF POLISH FIAT 126P ;

B) TRACTOR INDUSTRY, IN CONNECTION WITH NEW TRACTOR PLANT TO BE BUILT IN COOPERATION WITH WESTERN PARTNER. (THE WESTERN PARTNER HAS NOT YET BEEN NAMED, BUT BRITISH FIRM MASSEY-FERGUSON APPEARS TO HAVE INSIDE TRACK. NO US FIRMS ARE INVOLVED IN THESE NEGOTIATIONS.);

C) AGRICULTURAL MACHINERY INDUSTRY;

D) SHIPBUILDING INDUSTRY, WHICH REQUIRES TOOLS FOR MANUFACTURE OF SHIPBOARD EQUIPMENT, SUCH AS WINCHES, CRANES, BUTTERFLY VALVES, ETC.

5. IN VIEW OF THE FOREGOING, WE STRONGLY RECOMMEND INCLUSION IN MISSION OF ENGINEERING FIRM CAPABLE OF UNCLASSIFIED

UNCLASSIFIED

PAGE 03 WARSAW 04210 210958Z

PUTTING TOGETHER TURNKEY PROJECTS IN METAL FINISHING FIELD. OTHER MEMBERS OF MISSION SHOULD IN OUR VIEW NOT BE COMPETING FIRMS BUT SHOULD REPRESENT CROSS-SECTION OF US INDUSTRY. MISSION SHOULD INCLUDE FIRMS MANUFACTURING STANDARD MACHINE TOOLS, SPECIALIZED MACHINE TOOLS, HEAT TREATING EQUIPMENT, AND EQUIPMENT FOR FORGINGS AND CASTINGS. THERE APPEARS TO BE RATHER LESS INTEREST HERE IN WELDING AND SPRAYING MACHINERY,

EXCEPT AS PART OF COMPLETE PLANT PACKAGES.

6. IN PREPARING THIS MISSION, WE WOULD URGE THAT
KNOWLEDGEABLE SPECIALIST FROM DEPARTMENT OF COMMERCE
OR INDUSTRY SPEND ONE WEEK IN POLAND PREPARING
PRELIMINARY SURVEY ON POLISH PLANS AND REQUIREMENTS.
THIS VISIT SHOULD TAKE PLACE IN OCTOBER OR NOVEMBER,
PRIOR TO COMPLETION OF MISSION RECRUITMENT. INFORMATION
DEVELOPED DURING SUCH A VISIT WOULD AID IN TAILORING
MISSION TO MARKET AND WOULD BE OF AVALUE IN PREPARATION
OF OIM'S GLOBAL MARKET SURVEY ON METALWORKING AND
FINISHING EQUIPMENT (A-6738, NOTAL). WE WOULD
RECOMMEND THAT THIS VISIT REPLACE THE MORE USUAL TYPE
OF ADVANCE WHICH FOLLOWS MISSION RECRUITMENT AND
SCHEDULING. PLEASE ADVISE WHETHER SUCH A VISIT IS
FEASIBLE.
DAVIES

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973WARSAW04210
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730824/aaaaarco.tel
Line Count: 132
Locator: TEXT ON-LINE
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: STATE 150255
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 10 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10-Jan-2002 by reddocgw>; APPROVED <29-Jan-2002 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PROPOSED METAL FINISHING TRADE MISSION
TAGS: BEXP, PL, HU, RO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005